



**Johnson ▲ Block**  
AND COMPANY, INC.

Certified Public Accountants

**TOWN OF WINDSOR**  
**FINANCIAL STATEMENTS WITH**  
**INDEPENDENT AUDITOR'S REPORT**

**For the Year Ended December 31, 2010**

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*Quality service through our commitment to clients and staff.*

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# TOWN OF WINDSOR

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December 31, 2010

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Millard W. Johnson ▲ James L. Block ▲ Alan L. Brey ▲ Joseph G. Mohlmann ▲ Kevin P. Krynski ▲ Janice L. Froelich

## **INDEPENDENT AUDITOR'S REPORT**

June 3, 2011

To the Town Board  
Town of Windsor  
DeForest, Wisconsin

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Windsor, Wisconsin, as of and for the year ended December 31, 2010, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Town's management. Our responsibility is to express our opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above, present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Windsor, Wisconsin, as of December 31, 2010, and the respective changes in financial position, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages i through viii and 30 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Windsor's financial statements as a whole. The combining nonmajor fund financial statements and debt payment schedules are presented for purposes of additional analysis and are not a required part of the financial statements. The combining nonmajor fund financial statements and debt payment schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Johnson Block and Company, Inc.*

**Johnson Block and Company, Inc.**

**Certified Public Accountants**

Madison, Wisconsin



**TOWN OF WINDSOR**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
For the Year Ended December 31, 2010

As management of the Town of Windsor, we offer readers of the financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2010. We encourage the reader to consider the information presented here in conjunction with the Independent Auditor's Report at the front of this report and the town's financial statements, which immediately follow this section.

**THE FINANCIAL HIGHLIGHTS**

When revenues exceed expenses, the result is an increase in net assets. When expenses exceed revenues, the result is a decrease in net assets. You can think of this relationship between revenues and expenses as the Town's operating results. You can think of the Town's net assets, as measured in the Statement of Net Assets, as one way to measure the Town's financial position. Over time, increases or decreases in the Town's net assets, as measured in the Statement of Activities, are one indicator of whether its financial position is improving or deteriorating. However, the Town's goal is to provide services that improve the quality of life for our residents, not to generate profits. For this reason, you will need to consider many other non-financial factors, such as the condition of our roads and preservation of open space, in assessing the overall performance of our Town.

- The assets of the Town exceeded its liabilities as of December 31, 2010 by \$8,570,196.
- The Town of Windsor's total net assets increased by \$588,331.
- As of December 31, 2010, the Town of Windsor's governmental funds reported combined ending fund balances of \$7,486,538. This includes reserved fund balance of \$6,267,917, designated fund balance of \$472,617 and undesignated (deficits) of \$746,004.
- As of December 31, 2010, the unreserved fund balance for the general fund was \$761,733 or approximately 31 percent of total general fund expenditures. Of this amount \$181,800 is designated.
- The Town of Windsor's total general obligation debt increased by \$5,633,066 during 2010. Of that amount, \$5,864,336 of principal and interest was paid off in January 2011 to refund a 2009 note.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Town of Windsor's basic financial statements. These basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are the *Statement of Net Assets* and *Statement of Activities*. These statements present an aggregate view of the Town's finances in a manner similar to private-sector business. The government-wide financial statements can be found on pages 1 through 2 of this report

- The *statement of net assets* presents information on all of the Town of Windsor's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.
- The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e. g., uncollected taxes and earned but unused vacation and sick leave).

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government: public safety; public works; health, welfare and sanitation; culture and recreation; and conservation and development. The town does not provide business-type activities like utility services.

The government-wide financial statements include only the activities of the Town.



## OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

**Fund financial statements.** The Town also produces fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities. The Town, like other state and local governments, uses fund accounting to demonstrate compliance with finance related legal requirements. Fund statements generally report operations in more detail than the Town's government-wide statements and provide information that may be useful in evaluating a Town's short-term financing requirements. There are two fund financial statements, the *Balance Sheet* and the *Statement of Revenues, Expenditures and Change in Fund Balance*.

**Governmental funds** are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, fund statements focus on short-term inflows and outflows of spendable resources and their impact on fund balance.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The town maintains 15 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund and Purchase of Development Rights. Data from the remaining 12 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements later in this report.

The Town of Windsor adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 3 through 6 of this report.

**Fiduciary funds** are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's programs. The fiduciary funds maintained by the Town of Windsor are the Tax Collection Fund, which records the tax roll and tax collections for other taxing jurisdictions within the Town, the Community Center Fund, and the Half-Century Club Fund. The basic fiduciary fund financial statements can be found on page 7 of this report.



## OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 8 through 28 of this report.

**Other information.** The combining statements referred to earlier in connection with non-major governmental funds and other information related to the individual funds are presented immediately following the required supplementary information. Individual fund statements and schedules can be found on pages 30 through 36 of this report.

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. Table 1, below, provides a summary of the Town's net assets for the year ended December 31, 2010.

Town of Windsor's Net Assets		
	Governmental Activities	
	2009	2010
Current and other assets	5,262,433	11,347,882
Land held for resale	4,888,341	4,888,341
Capital assets	12,178,355	12,872,003
Total assets	22,329,129	29,108,226
Long-term liabilities outstanding	11,411,229	17,044,295
Other liabilities	2,936,035	3,493,735
	14,347,264	20,538,030
Net assets:		
Invested in capital assets, net of related debt	6,137,560	6,760,637
Restricted	701,220	240,377
Unrestricted	1,143,085	1,569,182
Total net assets (restated)	7,981,865	8,570,196

The Town's net assets reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, infrastructure, etc.), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Infrastructure placed in service prior to January 1, 2004, such as roads, storm sewers, and culverts, is reflected in these reports.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

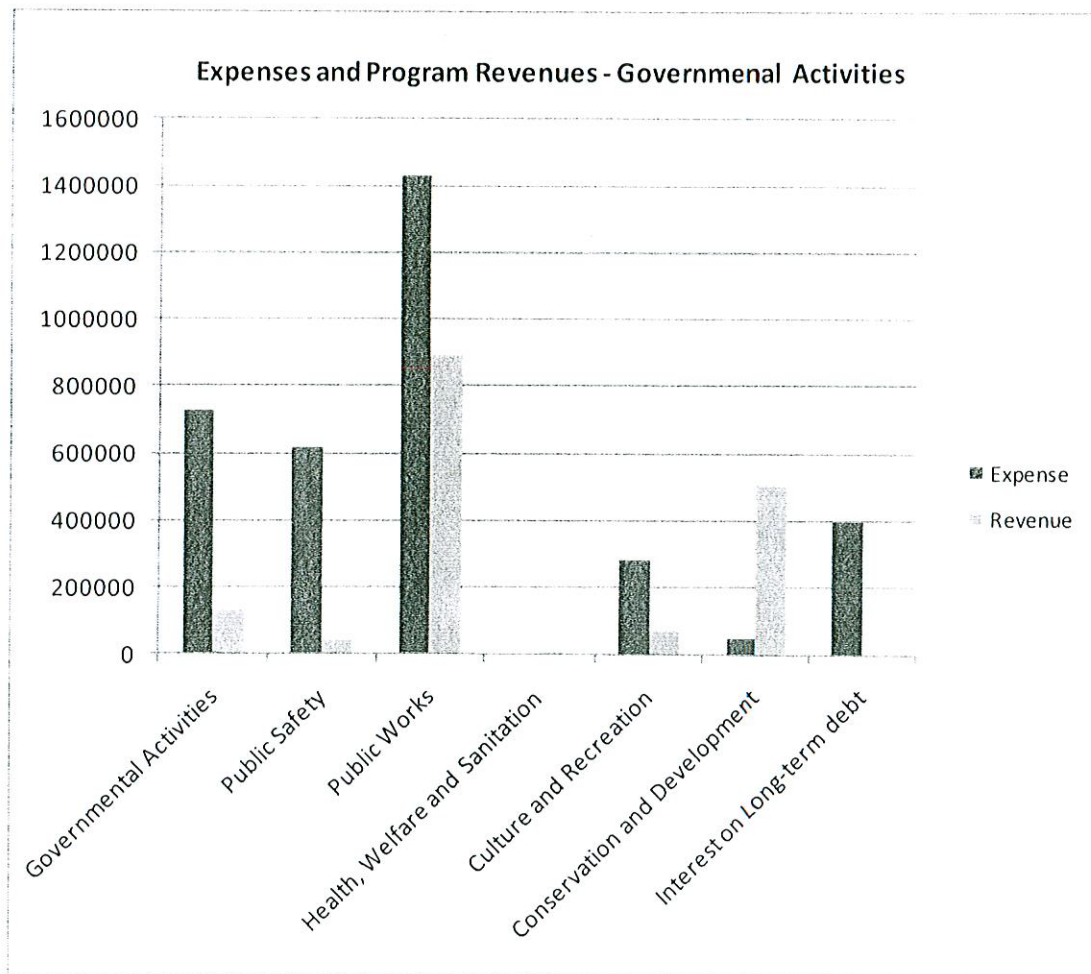
Table 2, below, provides a summary of the Town's operating results and their impact on net assets for the year ended December 31, 2010. In 2010 the Town relied primarily on property taxes (56.0 percent) to fund its operations. Taxes account for approximately \$2.3 million of total revenue. Program revenues, in the form of charges for services were 15.0 percent, operating grants and contributions were 11.2 percent and capital grants and contributions were 13.8 percent.

Town of Windsor's Change in Net Assets		
	Governmental Activities	
	2009	2010
Revenues:		
Program revenues:		
Charges for services and fees, fines, and costs	\$ 458,405	\$ 614,042
Operating grants and contributions	280,761	458,860
Capital grants and contributions	1,718,058	564,354
General revenues:		
Property taxes	2,289,770	2,294,363
Other taxes	10,781	7,128
Grants and contributions not restricted to specific programs	19,267	17,422
Unrestricted interest and investment	25,357	7,348
Miscellaneous	114,652	132,239
Gain (loss) on retirement of asset(s)	(2,795)	-
Total Revenues	\$ 4,914,256	\$ 4,095,756
Expenses:		
General Government	\$ 682,355	\$ 726,716
Public Safety	599,472	619,365
Public Works	1,333,710	1,431,334
Culture and Recreation	348,674	285,066
Conservation and Development	63,480	47,676
Interest on Long-Term Debt	536,880	397,268
Total Expenses	3,564,571	3,507,425
Increase in Net Assets	1,349,685	588,331
Net Assets - January 1	6,632,180	7,981,865
Net Assets - December 31 (restated)	\$ 7,981,865	\$ 8,570,196

## GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

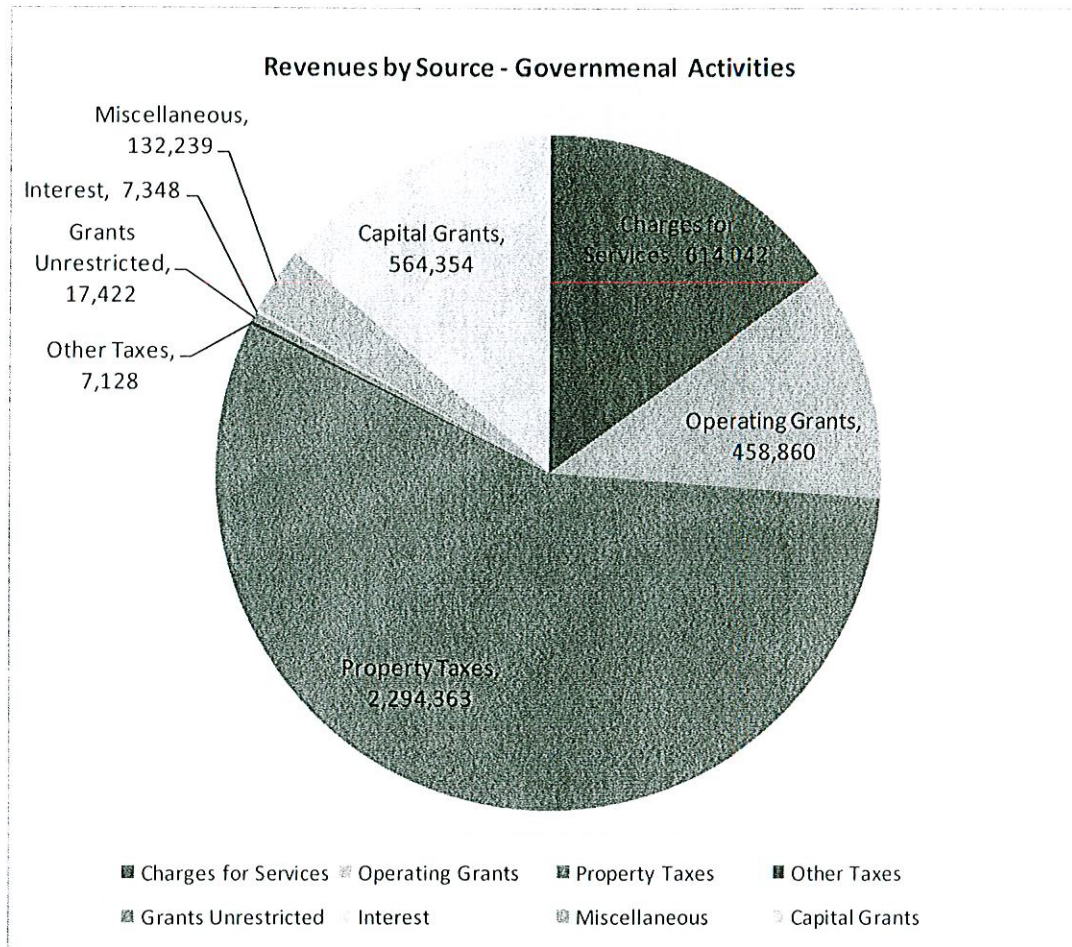
**Governmental Activities:** Governmental activities increased the Town's net assets by \$588,331. Key elements of this increase are as follows:

- Revenues from capital grants and contributions decreased in 2010. This was due to approximately \$1.7 million in land and preserves that were contributed to the Town in 2010.
- Operating grants increased \$180,000 due to a CDBG pass-through grant awarded to the Town.
- Total expenses decreased by approximately \$60,000. The main reason for the decrease is due to a decrease of approximately \$140,000 in interest expense.





## GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)



### FINANCIAL ANALYSIS OF THE TOWN OF WINDSOR'S FUNDS

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the Town of Windsor's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

As of December 31, 2010, the Town's governmental funds reported combined ending fund balances of \$7,486,538, an increase of \$5,777,379 from the prior year. Of the combined ending fund balance, \$5,864,336 is reserved for retirement of debt in 2011, \$178,804 is reserved for impact fees, \$127,292 is for Community Development Authority, and \$97,485 is reserved for other purposes. The town has designated \$213,928 for debt payments, \$22,561 for purchase of development rights, \$19,641 for a neighborhood project and \$216,487 for sinking funds. The general fund has an undesignated fund balance of \$579,933 and designated fund balance of \$181,800. The non-major funds have undesignated deficits totaling \$15,729. The other deficits have been funded by advances from the general fund. Accordingly, the general fund reserved fund balance for these advances.

## **FINANCIAL ANALYSIS OF THE TOWN OF WINDSOR'S FUNDS (Continued)**

The general fund is the chief operating fund of the Town. At the end of the current year, unreserved and total fund balance of the general fund was \$761,733. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total general fund expenditures. Unreserved fund balance represents 16 percent of total general fund expenditures. Total fund balance represents 31% of general fund expenditures.

During the current year, the Town's general fund balance increased by \$322,264. Key factors in this increase are as follows:

- General fund revenues were more than budget by \$13,129.
- General fund expenditures were less than budget by \$34,240.
- The Town received \$452,400 in debt proceeds

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

Differences between the original budget and the final budget did not change the amount of appropriations from the original budgeted amounts. Differences can be briefly summarized as follows:

During the year, actual revenues were more than the budgeted revenues by \$13,129. The primary reasons for these variances are as follows:

- Other taxes revenue was more than budget by \$8,147.
- Intergovernmental revenues were less than budget by \$85,673. This was due to the final reduction in the state shared revenue as a result of the levy limit violation.
- License and permit fee revenue was \$30,393 more than the budgeted amount.
- Miscellaneous income exceeded budget by \$56,853.

Actual expenditures were less than budgeted expenditures by \$34,240. The primary reasons for these variances are as follows:

- Expenditures for general government were less than budget by \$33,080.
- Expenditures for public works were less than budget by \$39,038.
- Expenditures for public safety were less than the budget by \$15,251.
- Expenditures for culture, recreation and education exceeded the budget by \$54,446. This department exceeded budget because of park equipment that was purchased by the Town that was later reimbursed by a developer. The reimbursement is the primary reason miscellaneous revenues exceeded budget.

The Town also had proceeds from debt that exceeded the budget by \$282,400 in 2010.



## Capital Asset and Debt Administration

**Capital assets.** The Town of Windsor's investment in capital assets for its governmental activities as of December 31, 2010 amounts to \$12,872,003 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, and infrastructure construction in progress. Infrastructure placed in service prior to January 1, 2004 (roads, storm sewers, and culverts) is included. The net increase in the Town's investment in capital assets for the current year was \$693,648.

Major capital asset events during the current fiscal year included the following governmental activities:

- Approximately \$1 million in land easements. Of this amount \$500,000 was paid by the Town and \$500,000 was paid directly to the land owner from a granting agency.
- Approximately \$90,000 in road construction on various roads.
- Approximately \$188,000 in buildings and improvements.

Additional information on the Town of Windsor's capital assets can be found in Note 3 on page 21 of this report.

<b>Town of Windsor's Capital Assets</b> (net of accumulated depreciation)		
	Governmental Activities	
	2009	2010
Land	\$ 3,493,744	\$ 4,501,109
Construction in process	39,443	28,224
Building and Improvements	1,684,838	1,773,502
Equipment	285,014	231,969
Infrastructure	6,675,316	6,337,199
Total capital assets	\$ 12,178,355	\$ 12,872,003

**Long-term debt.** At 12/31/10, the Town of Windsor had total long-term debt outstanding of \$17,044,295, which was general obligation debt backed by the full faith of the Town. Of this amount \$5,582,895 was refunded in 2010 but was not paid off until January 2011.



## Capital Asset and Debt Administration (Continued)

<b>Town of Windsor's Outstanding Debt</b>		
General Obligations & Note Anticipation Notes		
	Governmental Activities	
	2009	2010
2004 Notes	\$ 1,575,000	\$ 1,375,000
2005 Notes	110,000	99,000
2005 Notes	1,730,000	1,555,000
2005 Notes	333,334	300,000
2009 Notes	1,605,000	1,450,000
2009 Notes	150,000	-
2009 Notes	150,000	150,000
2009 Notes	175,000	175,000
2009 Notes	5,582,895	5,582,895
2010 Notes	-	170,000
2010 Notes	-	141,200
2010 Notes	-	141,200
2010 Notes	-	5,905,000
Total Outstanding Debt	\$ 11,411,229	\$ 17,044,295

During the fiscal year, the Town of Windsor's general obligation debt increased by \$5,633,066. Additional information on the Town's long-term debt can be found in Note 5 on pages 22 through 23 of this report.

### Economic Factors and Next Year's Budgets and Rates

Town of Windsor's financial results are dependent on several factors:

- Amount of Shared Revenue, General Transportation Aids and other grants received
- Increases in the cost of fuel, insurance and professional services

All of these factors were considered in preparing the Town's budget for the 2010 fiscal year.

The general obligation debt outstanding of \$17,044,295 is well below the allowable amount of \$29,336,270 which is 5% of the valuation of taxable property as equalized for State purposes.

### Contacting the Town's Financial Management

This financial report is designed to provide a general overview of the Town of Windsor's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Clerk/Treasurer, Town of Windsor, 4084 Mueller Road, DeForest, WI 53532.

General information relating to the Town of Windsor, Wisconsin, can be found at the Town's website, <http://www.windsorwi.gov>.

**Town of Windsor  
DeForest, Wisconsin**

**Statement of Net Assets  
December 31, 2010**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and equivalents	\$ 7,611,545
Receivables	3,305,241
Receivable from Fiduciary Funds	300,000
Land held for resale	4,888,341
Capital Assets	
Land, improvements, construction in process and infrastructure in process	4,529,333
Other capital assets, net of depreciation	8,342,670
Total Capital Assets	<u>12,872,003</u>
Deferred assets	131,096
Total Assets	<u><u>\$ 29,108,226</u></u>
<b>LIABILITIES</b>	
Accounts payable and accrued expenses	\$ 181,440
Due to other governmental agencies	1,425
Deferred revenues	3,045,817
Accrued Interest Payable	265,053
Long-term liabilities	
Due within one year	
Long-term debt	6,532,228
Due in more than one year	
Long-term debt	10,512,067
Total liabilities	<u>20,538,030</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	6,760,637
Restricted for:	
Special revenue	61,573
Capital projects	178,804
Unrestricted	1,569,182
Total net assets	<u>8,570,196</u>
Total net assets and liabilities	<u><u>\$ 29,108,226</u></u>

See accompanying notes to the basic financial statements

Town of Windsor  
DeForest, Wisconsin

Statement of Activities  
For the Year Ended December 31, 2010

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary government</b>					<b>Primary Government</b>
Governmental Activities					<b>Governmental Activities</b>
General Government	\$ 726,716	\$ 130,130	\$ -	\$ -	\$ (596,586)
Public Safety	619,365	24,857	16,002	-	(578,506)
Public Works	1,431,334	445,415	442,630	-	(543,289)
Health, Welfare and Sanitation	-	-	228	-	228
Culture and Recreation	285,066	13,640	-	57,354	(214,072)
Conservation and Development	47,676	-	-	507,000	459,324
Interest on Long-term debt	397,268	-	-	-	(397,268)
Total governmental activities	3,507,425	614,042	458,860	564,354	(1,870,169)
Total primary government	\$ 3,507,425	\$ 614,042	\$ 458,860	\$ 564,354	(1,870,169)
<b>General revenues:</b>					
Taxes:					
Property taxes, levied for general purposes					1,546,856
Property taxes, levied for debt service					747,507
Room taxes					7,128
Grants and contributions not restricted to specific programs					17,422
Unrestricted investment earnings					7,348
Miscellaneous					132,239
Total general revenues and special items					2,458,500
Change in net assets					588,331
Net assets - beginning (restated)					7,981,865
Net assets - ending					\$ 8,570,196

See accompanying notes to the basic financial statements



Town of Windsor  
DeForest, Wisconsin

Balance Sheet  
Governmental Funds  
December 31, 2010

ASSETS	General Fund	Debt Service	Purchase of Development Rights	Non-Major Governmental Funds	Total Governmental Funds
Cash and Cash Equivalents	\$ 858,178	\$ 6,019,318	\$ 22,561	\$ 711,488	\$ 7,611,545
Receivables:					
Taxes	1,830,251	1,063,584	-	162,014	3,055,849
Special Assessments	85,412	1,040	-	-	86,452
Other	13,510	436,367	-	13,063	462,940
Advances Receivable	-	40,000	-	-	40,000
Total Assets	<u>\$ 2,787,351</u>	<u>\$ 7,560,309</u>	<u>\$ 22,561</u>	<u>\$ 886,565</u>	<u>\$ 11,256,786</u>

**LIABILITIES AND FUND BALANCES**

Liabilities:

Accounts Payable and Accrued Liabilities	\$ 120,873	\$ -	\$ -	\$ 43,327	\$ 164,200
Accrued Liabilities	-	-	-	17,244	17,244
Payable to Other Governments	1,425	-	-	-	1,425
Deferred Revenue	1,903,320	1,482,045	-	162,014	3,547,379
Advances Payable	-	-	-	40,000	40,000
Total Liabilities	<u>2,025,618</u>	<u>1,482,045</u>	<u>-</u>	<u>262,585</u>	<u>3,770,248</u>

Fund Balances:

Reserved	-	5,864,336	-	403,581	6,267,917
Designated	181,800	213,928	22,561	236,128	654,417
Unreserved/Undesignated	579,933	-	-	(15,729)	564,204
Total Fund Balances	<u>761,733</u>	<u>6,078,264</u>	<u>22,561</u>	<u>623,980</u>	<u>7,486,538</u>
Total Liabilities and Fund Balances	<u>\$ 2,787,351</u>	<u>\$ 7,560,309</u>	<u>\$ 22,561</u>	<u>\$ 886,565</u>	<u>\$ 11,256,786</u>

See accompanying notes to the basic financial statements.

**Town of Windsor  
DeForest, Wisconsin**

**Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets  
December 31, 2010**

Total fund balance, governmental funds	\$	7,486,538
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Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Assets.		12,872,003
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Land held for resale is capitalized on government-wide financial statements but is recorded as an expenditure on the fund financial statements		4,888,341
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Certain other deferred revenues that are not available to pay current period expenditures and therefore are not recognized as revenue in this fund financial statement, but are accrued in the governmental activities of the Statement of Net Assets. This amount represents deferred special assessments and fire district and community center loan repayments.		501,566
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Certain other long-term assets (deferred assets) are not available to pay current period expenditures and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Assets.		131,096
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Some liabilities, (such as Long-Term Debt and Accrued Interest ), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Assets.

Current portion of Long-Term Debt	6,532,228		
Non-current portion of Long-Term Debt	10,512,067		
Accrued Interest	265,053	<u>(17,309,348)</u>	

Net Assets of Governmental Activities in the Statement of Net Assets	\$	<u>8,570,196</u>
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See accompanying notes to the basic financial statements

Town of Windsor  
DeForest, Wisconsin

Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2010

	General Fund	Debt Service	Purchase of Development Rights	Non-Major Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Property Taxes	\$ 1,445,835	\$ 747,507	\$ -	\$ 90,000	\$ 2,283,342
Other Taxes	65,215	-	-	-	65,215
Special Assessment Revenue	-	18,945	-	7,950	26,895
Intergovernmental	273,503	-	-	154,508	428,011
License and Permits	124,963	-	-	46,757	171,720
Fines, Forfeits and Penalties	9,167	-	-	-	9,167
Public Charges for Services	390,228	-	-	50,960	441,188
Interest Income	4,334	-	978	1,710	7,022
Miscellaneous Income	69,153	173,613	-	19,817	262,583
Total Revenues	2,382,398	940,065	978	371,702	3,695,143
<b>EXPENDITURES</b>					
Current:					
General Government	622,482	-	10,770	15,321	648,573
Public Safety	608,198	-	-	-	608,198
Public Works	890,894	-	-	192,508	1,083,402
Culture, Recreation and Education	293,006	-	-	-	293,006
Conservation and Development	48,383	-	500,365	114,878	663,626
Debt Service	-	1,176,733	-	-	1,176,733
Principal Repayment	-	254,026	-	-	254,026
Interest Expense & Fiscal Charges	-	1,430,759	511,135	322,707	4,727,564
Total Expenditures	2,462,963	1,430,759	511,135	322,707	4,727,564
Excess (Deficiency) of Revenues Over Expenditures	(80,565)	(490,694)	(510,157)	48,995	(1,032,421)
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from Long-Term Debt	452,400	6,357,400	-	-	6,809,800
Transfers In	-	57,275	-	133,789	191,064
Transfers Out	(49,571)	-	-	(141,493)	(191,064)
Total Other Financing Sources and Uses	402,829	6,414,675	-	(7,704)	6,809,800
Net Change in Fund Balances	322,264	5,923,981	(510,157)	41,291	5,777,379
Fund Balances - Beginning	439,469	154,283	532,718	582,689	1,709,159
Fund Balances (Deficit) - Ending	\$ 761,733	\$ 6,078,264	\$ 22,561	\$ 623,980	\$ 7,486,538

See accompanying notes to the basic financial statements.



**Town of Windsor  
DeForest, Wisconsin**

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of  
Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2010**

Net change in fund balances - total governmental funds: \$ 5,777,379

Amounts reported for Governmental Activities in the Statement of Activities  
are different because:

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.

This is the amount by which depreciation (\$584,994) was less than capital outlays (\$1,278,642) in the current period. 693,648

Governmental funds record revenues when they are available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned. This amount represents revenue recorded on the fund financial statements of \$106,389 that was accrued in previous years. (106,389)

Governmental funds report debt proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of debt principal as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities. This is the amount of principal repayments (\$1,176,733) less current year proceeds (\$6,809,800) during the year. (5,633,067)

Current year debt issuance costs expended on the governmental funds but deferred and amortized on the government-wide statements 69,017

Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:

Increase in accrued interest	(201,254)
Amortization not reflected on Governmental funds	(11,003)
Change in net assets of governmental activities	<u>\$ 588,331</u>

See accompanying notes to the basic financial statements

Town of Windsor  
DeForest, Wisconsin

Statement of Fiduciary Net Assets  
Fiduciary Funds  
December 31, 2010

	Community Center	Half-Century Club	Tax Agency	Total Fiduciary Funds
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 457,290	\$ 9,232	\$ 6,642,816	\$ 7,109,338
Receivables:				
Taxes Receivable	-	-	3,027,449	3,027,449
Total Assets	<u>\$ 457,290</u>	<u>\$ 9,232</u>	<u>\$ 9,670,265</u>	<u>\$ 10,136,787</u>
<b>LIABILITIES</b>				
Due to Other Organizations	\$ 457,290	\$ 9,232	\$ -	\$ 466,522
Due to Other Governments	-	-	9,670,265	9,670,265
Total Liabilities	<u>\$ 457,290</u>	<u>\$ 9,232</u>	<u>\$ 9,670,265</u>	<u>\$ 10,136,787</u>

See accompanying notes to the basic financial statements.

**TOWN OF WINDSOR**  
**Notes to Financial Statements**  
**December 31, 2010**

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**1. Summary of Significant Accounting Policies**

The accounting policies of the Town of Windsor, Wisconsin conform to generally accepted accounting principles as applicable to governmental units.

**A. Reporting Entity**

This report includes all of the funds of the Town of Windsor. The reporting entity for the Town consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. This report does not contain the Windsor Sanitary District 1, Madison Metropolitan Sewer District, Hidden Springs Sanitary District, Oak Springs Sanitary District, Morrisonville Sanitary District 1, Windsor Sanitary District 3, Lake Windsor Sanitary District, the Lake Windsor Lake District, and Oak Springs Lake District which the Town does not consider component units. See Note 8 regarding intergovernmental agreements.

**Component Units**

Community Development Authority

The financial statements include the Town's Community Development Authority (CDA) as a component unit. The CDA is a legally separate organization. The board of the CDA is appointed by the Town board. The CDA meets the criteria of a component unit of the Town. As a component unit, the Authority's financial statements have been presented as a blended entity in the basic financial statements. Prior to 2007, the CDA was reported as a discretely presented component unit. It was blended in 2007 since the CDA issued debt to purchase land for the benefit on the town. The information presented is for the fiscal year ended December 31, 2010.

**B. Government-Wide and Fund Financial Statements**

Government-wide financial statements are basic financial statements required for all governmental units. The statement of net assets and the statement of activities are the two required statements. Both statements are prepared on the full accrual basis. The modified accrual basis of accounting continues to be the appropriate basis of accounting for governmental fund financial statements.



**TOWN OF WINDSOR**  
**Notes to Financial Statements**  
**December 31, 2010**

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**1. Summary of Significant Accounting Policies (Continued)**

**B. Government-Wide and Fund Financial Statements (Continued)**

The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Town does not allocate indirect expenses to functions in the statement of activities. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

**Fund Financial Statements**

Fund financial statements of the reporting entity are organized into individual funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, net assets/fund equity, revenues, and expenditure/expenses.

In addition, all funds in the fund financial statements are reported as proprietary, governmental, or fiduciary funds. The definitions for these types of activities are discussed in other portions of Note 1.

Funds are organized as major funds or non-major funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Town or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type and
- b. Total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or proprietary fund that the Town believes is particularly important to financial statement users may be reported as a major fund.

**TOWN OF WINDSOR**  
**Notes to Financial Statements**  
**December 31, 2010**

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**1. Summary of Significant Accounting Policies (Continued)**

**B. Government-Wide and Fund Financial Statements (Continued)**

**Major Governmental Funds**

The Town reports the following major governmental funds:

General Fund – accounts for the Town’s primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related charges.

Purchase Development Rights Fund (PDR) – This fund is a capital projects fund and accounts for funds to be used for the purchase of development rights.

The Town, in addition to the major funds identified above, reports the following non-major funds:

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to or designated for expenditures for specified purposes. The Town accounts for activity of the Park Fund, Developer Charge-back Fund, Morrisonville Utility District, Utility District #3, Business Park Utility District, Utility District #4, and the Token Creek Conservancy in the Special Revenue Funds. These funds are managed by the Town.

CDA Debt Service Fund - The CDA debt service fund is used to account for funds set aside for interest payments on the CDA debt.

CDA Neighborhood Project – Accounts for special neighborhood project associated with the CDA.

Community Development Authority Fund (“CDA”) – accounts for the CDA’s primary operating activities.

Capital Projects Funds – The Non-Major Capital Project Funds include the Capital Projects fund, Highway 51 Fund, Traffic Impact West of Portage Road Fund, the Traffic Impact East of Portage Road Fund, the Town’s vehicle and equipment replacement fund and the Impact Fee Fund.

**Fiduciary Funds**

Agency Funds are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units. The Town has the following agency funds: Community Center, Half Century Club and the Tax Agency Fund.



**TOWN OF WINDSOR**  
**Notes to Financial Statements**  
**December 31, 2010**

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**1. Summary of Significant Accounting Policies (Continued)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

Measurement focus refers to what is being measured, basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

**Government-Wide Financial Statements**

The government-wide statement of net assets and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred revenue. Grants and similar items are recognized as revenue when earned.

**Fund Financial Statements**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. "Measurable" means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred revenues. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the Town is entitled to the resources and the amounts are available. Amounts owed to the Town, which are not available, are recorded as receivables and deferred revenues. Amounts received prior to the entitlement period are also recorded as deferred revenues.

Special assessments are recognized as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and deferred revenues. Delinquent special assessments being held for collection by the county are reported as receivables and reserved fund balance in the general fund.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments, and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.



**TOWN OF WINDSOR**  
**Notes to Financial Statements**  
**December 31, 2010**

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**1. Summary of Significant Accounting Policies (Continued)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

**Fund Financial Statements (Continued)**

The Town reports deferred revenues on its governmental funds balance sheet. Deferred revenues arise from taxes levied in the current year, which are for subsequent year's operations. For governmental fund financial statements, deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received before the Town has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Town has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**D. Assets, Liabilities, and Net Assets or Equity**

**1) Cash and Cash Equivalents/Investments**

The Town has pooled the cash resources of its funds in order to maximize investment opportunities. Each fund's portion of total cash and investments is reported as cash and cash equivalents/investments by the Town's individual major funds, and in the aggregate for non-major and agency funds.

All deposits of the Town are made in board designated official depositories and are secured as required by State Statute. The Town may designate, as an official depository, any bank or savings association. Also, the Town may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

Investments with remaining maturities at the time of purchase of one year or less are stated at amortized cost which approximates fair value. Investments with a maturity of more than one year at acquisition and nonmoney market investments are carried at fair value as determined by quoted market prices.

See Footnote 2 for additional information.

**TOWN OF WINDSOR**  
**Notes to Financial Statements**  
**December 31, 2010**

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**1. Summary of Significant Accounting Policies (Continued)**

**D. Assets, Liabilities, and Net Assets or Equity**

**2) Taxes Receivable**

Property taxes are levied prior to the end of the calendar year and are due and collectible in the following year. Property taxes attach as an enforceable lien as of January 1. The Town's portion of taxes is recorded as a receivable in the general fund. The County acts as the collecting agency for all Town taxes. Since Town property taxes are not considered available until January 1 of the year following the levy, they are recorded as deferred revenues in the funds budgeted therefore. Taxes are levied in December on the assessed value as of the prior January 1.

Property tax calendar – 2010 tax roll

Lien date and levy date	December, 2010
Tax Bills mailed	December, 2010
Payment in full, or	January 31, 2011
First installment due	January 31, 2011
Second installment due	July 31, 2011
Personal property taxes in full	January 31, 2011
Tax sale – 2010 delinquent real estate taxes	October, 2014

**3) Allowance for Uncollectible Accounts**

General fund accounts receivable have been adjusted for all known uncollectible accounts. No allowance is necessary at year-end. Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof.

**4) Special Assessments**

Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Deferred special assessments are placed on tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made or as current installments are placed on tax rolls. Special assessments of enterprise funds are recorded as non-operating revenue at the time of assessment, if subject to collection. Deferred special assessments, those not subject to collection, are recorded as other liability until such time they are subject to collection.

Uncollected installments placed on prior year tax rolls are held for collection by Dane County and are remitted to the Town upon collection by the County. These delinquent installments are financed by the general fund.



**TOWN OF WINDSOR**  
**Notes to Financial Statements**  
**December 31, 2010**

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**1. Summary of Significant Accounting Policies (Continued)**

**D. Assets, Liabilities, and Net Assets or Equity (Continued)**

**5) Inventories and Prepaid Items**

**Inventories**

Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not material.

**Prepaid**

Expenditures paid in advance of the period the expenditure is incurred are recorded as prepaid assets.

**6) Capital Assets**

**Government-Wide Statements**

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets are defined by the government as tangible and intangible assets that have useful lives that extend beyond a single reporting period. Capitalization thresholds for capitalizing individual fixed assets and groups of fixed assets are:

- Land and non-depreciable land improvements – all assets recorded
- Infrastructure assets - \$5,000
- Depreciable land improvements - \$1,000
- Buildings and improvements - \$5,000
- Non-fixed equipment - \$1,000

All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated fixed assets are recorded at their estimated fair value at the date of donation.

Governmental units are required to account for all capital assets, including infrastructure, in the government-wide statements. Retroactive reporting of all major general infrastructure assets is encouraged but not required. Infrastructure acquired prior to 2005 has been recorded.

General Fixed Assets - Fixed assets acquired or constructed for general governmental services are recorded as expenditures in the fund from which the disbursements are made. Generally accepted accounting principles require that these fixed assets be capitalized at cost in the government-wide financial statements. Contributed fixed assets are to be recorded in the government-wide financial statements at fair market value at the time received. Interest incurred during construction is not capitalized.

Depreciation on governmental fixed assets is calculated using the straight-line method based on the estimated useful life of assets. The estimated useful life of assets is determined by industry standards as recommended by GASB.



**TOWN OF WINDSOR**  
**Notes to Financial Statements**  
**December 31, 2010**

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**1. Summary of Significant Accounting Policies (Continued)**

**D. Assets, Liabilities, and Net Assets or Equity (Continued)**

**7) Deferred Debt Issuance Costs**

In governmental funds, debt issuance costs are recognized as expenditures in the current period. For the government-wide financial statements, debt issuance costs are deferred and amortized over the term of the debt issue.

**8) Compensated Absences**

Under terms of employment, Town employees are granted vacations and sick leave in varying amounts. Employees can accumulate up to 184 hours of sick leave. Sick leave is not payable upon retirement, resignation or termination. No accrual is made in the financial statements since there are no termination benefits.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used.

**9) Long-Term Obligations**

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bond payable, and accrued compensated absences.

Proceeds of long-term debt issues not recorded as fund liabilities are reflected as "Other Financing Sources" in the operating statement of the recipient fund. Retirement of these issues is reported as an expenditure of the debt service fund in the year in which the debt matures or is repaid, whichever is earlier.

**10) Claims and Judgments**

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide statements as expenses when the related liabilities are incurred. There were no significant claims or judgments at year-end.

**TOWN OF WINDSOR**  
**Notes to Financial Statements**  
**December 31, 2010**

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**1. Summary of Significant Accounting Policies (Continued)**

**D. Assets, Liabilities, and Net Assets or Equity (Continued)**

**11) Equity Classifications**

**Government-Wide Statements**

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

When both restricted and unrestricted resources are available for use, it is the Town’s policy to use restricted resources first, then unrestricted resources as they are needed.

**Fund Financial Statements**

Government fund equity is classified as fund balance. Fund Balances are segregated into three separate classifications.

Reservations represent the portion of fund balances which may not be appropriated for expenditure or have been segregated for the specific future uses by legal mandate.

Designations of fund balances represent tentative plans of the Town for financial resource utilization in a future period as documented in the minutes or budgeting process for a succeeding year. Such plans are subject to change from original authorizations and may never result in expenditures.

Undesignated fund balance represents the amount available for appropriation after reservations and designations. It also is a measurement of current working capital position.

**12) Land Held for Resale**

The government-wide financial statements include land held for resale. This represents the original cost of land purchased by the Town’s CDA and held for resale back to a developer.

**TOWN OF WINDSOR**  
**Notes to Financial Statements**  
**December 31, 2010**

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**1. Summary of Significant Accounting Policies (Continued)**

**E. Budgetary Information**

**Budgets**

The Town's budget is adopted in accordance with Chapter 65 of the Wisconsin Statutes. Changes to appropriations authorized in the adopted budget generally require a vote of two-thirds of the entire membership of the governing body. Budgetary expenditure control is exercised at the individual account level.

Budget amounts include appropriations authorized in the original budget, any board approved amendments, appropriations of restricted resources received for funding specific expenditures and designated portions of the beginning balance of the general fund's equity expected to finance expenditures of the current fiscal year. Unused appropriations lapse at year-end unless specifically carried over for financing subsequent year expenditures.

**F. Excess Expenditures over Appropriations**

The Town controls expenditures at the department level. Some individual line items experienced expenditures which exceeded appropriations. The detail of those items can be found in the Town's year-end budget to actual report. The Town exceeded its budget in the general fund in the following areas: culture, recreation and education (\$54,446). This was due to expenditures for park equipment that were reimbursed by a developer.

**G. Inter-fund Transactions**

Quasi-external transactions are accounted for as revenues, expenditures or expenses.

Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other inter-fund transactions, except quasi-external transactions and reimbursements, are reported as transfers.



**TOWN OF WINDSOR**  
**Notes to Financial Statements**  
**December 31, 2010**

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**1. Summary of Significant Accounting Policies (Continued)**

**H. Limitations on the Town Tax Levy**

As part of Wisconsin's Act 28 (2009), legislation was passed that limits the town's future tax levies. Generally, the town is limited to its prior tax levy dollar amount (excluding TIF districts), increased by the greater of the percentage change in the town's equalized value due to new construction, or 3.0% for the 2009-2010 and 2010-2011 tax year. Changes in debt service from one year to the next are generally exempt from this limit. The levy limit begins with the 2009 levy collected in 2010 and is set to expire after the 2010 levy.

**2. Cash and Cash Equivalents/Investments**

As previously discussed, cash for all Town funds is pooled for investment purposes with the exception of a separate checking account for the tax agency and CDA funds. At December 31, 2010, the cash and investments consist of the following:

Petty Cash/Cash on Hand	\$ 115
Deposits with Financial Institutions	1,830,909
Wisconsin Local Government Investment Pool	12,889,859
Total Cash and Investments	<u>\$ 14,720,883</u>

Cash and investments as of December 31, 2010 are classified in the accompanying financial statements as follows:

Cash and Investments per Statement of Net Assets	\$ 7,611,545
Cash and Investments per Statement of Fiduciary Net Assets	<u>7,109,338</u>
	<u>\$ 14,720,883</u>

**TOWN OF WINDSOR**  
**Notes to Financial Statements**  
**December 31, 2010**

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**2. Cash and Cash Equivalents/Investments (Continued)**

Investments Authorized by Wisconsin Statutes

Investment of Town funds is restricted by State statutes. Available investments are limited to:

- (1) Deposits in any credit union, bank, savings bank, trust company or savings and loan association which is authorized to transact business in this State if the time deposits mature in not more than three years;
- (2) Bonds or securities issued or guaranteed as to principal and interest by the federal government, or by a commission, board or other instrumentality of the federal government;
- (3) Bonds or securities of any county, drainage district, VTAE district, village, city, town, district or school district of this State;
- (4) Any security which matures or which may be tendered for purchase at the option of the holder within not more than seven years of the date on which it is acquired, if that security has a rating which is the highest or second highest rating category assigned by Standard & Poor's Corporation, Moody's investor service or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer which has such a rating;
- (5) Bonds or securities issued under the authority of the municipality;
- (6) The local government pooled-investment fund as established under Section 25.50 of the Wisconsin Statutes;
- (7) Agreements in which a public depository agrees to repay funds advanced to it by the Town plus interest, if the agreement is secured by bonds or securities issued or guaranteed as to principal and interest by the federal government.
- (8) Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- (9) Repurchase agreements with public depositories, with certain conditions.
- (10) Bonds issued by the University of Wisconsin Hospital and Clinics Authority.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure of fair value losses arising from increasing interest rates.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments in commercial paper, corporate bonds and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The Town has no investment policy that would further limit its investments choices. As of December 31, 2010, the Town's investment in the Wisconsin Local Government Investment Pool was not rated.



**TOWN OF WINDSOR**  
**Notes to Financial Statements**  
**December 31, 2010**

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**2. Cash and Cash Equivalents/Investments (Continued)**

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Town would not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial risk for investments is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to a transaction, the Town would not be able to recover the value of its investment of collateral securities that are in the possession of another party. The Town does not have an investment policy for custodial credit risk.

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for interest bearing accounts and \$250,000 for non-interest bearing accounts. Under the Transaction Account Guarantee (TAG) program, deposits at participating banks that earn less than .25% interest, are 100% insured by FDIC through December 31, 2010. As of January 1, 2010 through December 31, 2012 only noninterest bearing accounts are fully insured under the Dodd Frank Act. Bank accounts and the local government investment pool are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may be significant to individual organizations.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2010, the fair value of the Town's share of the LGIP's assets was substantially equal to the amount reported above. Information on derivatives was not available to the Town.

Investments in the local government investment pool are covered under a surety bond issued by Financial Security Assurance, Inc. The bond insures against losses arising from principal defaults on substantially all types of securities, acquired by the pool. The bond provides up to \$500,000 coverage on principal losses, reduced by any FDIC, State of Wisconsin Guarantee Fund insurance and income on the investment during the calendar quarter a loss occurs.

As of December 31, 2010, \$4,147,123 the Town's deposits with financial institutions in excess of federal depository insurance limits were exposed to custodial credit risk as follows:

Insured by Federal and State Deposit Insurance	\$ 1,191,681
Uninsured and Uncollateralized	2,955,442
Total	<u>\$ 4,147,123</u>

Concentration of Credit Risk

The Town does not have a policy for concentration of credit risk. No Town investment represents 5% or more of the total investments.



**TOWN OF WINDSOR**  
**Notes to Financial Statements**  
**December 31, 2010**

**3. Capital Assets**

Capital asset activity in the governmental activities for the year ended December 31, 2010 was as follows:

	<u>Balance 12/31/09</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 12/31/10</u>
<b>Governmental Activities</b>				
Non-depreciable Capital Assets:				
Land	\$ 3,493,744	\$ 1,007,365	\$ -	\$ 4,501,109
Construction in Progress	39,443	-	11,219	28,224
Total Non-depreciable Capital Assets	<u>3,533,187</u>	<u>1,007,365</u>	<u>11,219</u>	<u>4,529,333</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	2,358,418	188,030	460	2,545,988
Equipment	857,771	3,500	-	861,271
Infrastructure	14,198,867	90,966	32,624	14,257,209
Total Capital Assets Being Depreciated	<u>17,415,056</u>	<u>282,496</u>	<u>33,084</u>	<u>17,664,468</u>
Total Capital Assets	<u>\$ 20,948,243</u>	<u>\$ 1,289,861</u>	<u>\$ 44,303</u>	<u>\$ 22,193,801</u>
Less: Accumulated Depreciation for:				
Buildings and Improvements	\$ 673,580	\$ 99,366	\$ 460	\$ 772,486
Equipment	572,757	56,545	-	629,302
Infrastructure	7,523,551	429,083	32,624	7,920,010
Total Accumulated Depreciation	<u>8,769,888</u>	<u>584,994</u>	<u>33,084</u>	<u>9,321,798</u>
Capital Assets Net of Depreciation	<u>\$ 12,178,355</u>	<u>\$ 704,867</u>	<u>\$ 11,219</u>	<u>\$ 12,872,003</u>

Depreciation expense was charged to functions as follows:

<b>Governmental Activities</b>	
General Government	\$ 52,322
Public Safety	11,167
Public Works	465,628
Culture, Recreation and Education	<u>55,877</u>
Total Governmental Activities Depreciation Expense	<u>\$ 584,994</u>

**TOWN OF WINDSOR**  
**Notes to Financial Statements**  
**December 31, 2010**

**4. Long-Term Obligations**

All general obligation notes and bond payable are backed by the full faith and credit of the Town. Notes and bonds will be retired by future property tax levies and revenues accumulated by the debt service fund.

	Balance 1/1/10	Issued	Retired	Balance 12/31/10
Governmental activities:				
Total general obligation debt	\$ 11,411,229	\$ 6,809,800	\$ 1,176,734	\$ 17,044,295
Total governmental long-term debt	<u>\$ 11,411,229</u>	<u>\$ 6,809,800</u>	<u>\$ 1,176,734</u>	<u>\$ 17,044,295</u>

General obligation long-term debt issues outstanding at December 31, 2010 and total debt outstanding were as follows:

Original Amount	Date of Issue	Year of Maturity	Interest Rate	Outstanding Principal	Amount Due Within One Year
General Obligation Notes and Bonds:					
\$ 2,645,000	6/30/04	2014	2.00% - 3.90%	\$ 1,375,000	\$ 210,000
\$ 165,000	7/15/05	2019	4.20%	99,000	11,000
\$ 2,220,000	7/1/05	2015	2.70%-3.70%	1,555,000	200,000
\$ 500,000	6/2/05	2019	3.98%	300,000	33,333
\$ 1,605,000	9/23/09	2014	1.20 - 3.40%	1,450,000	175,000
\$ 150,000	12/21/09	2011	2.904%	150,000	150,000
\$ 175,000	12/21/09	2012	3.13%	175,000	-
\$ 170,000	12/6/2010	2011	3.07%	170,000	170,000
\$ 141,200	12/6/2010	2013	3.30%	141,200	-
\$ 141,200	12/6/2010	2014	3.58%	141,200	-
\$ 5,582,895	10/20/2009	2014	3.50%	5,582,895	5,582,895
\$ 5,905,000	12/27/2010	2020	1.5-4.25%	5,905,000	-
Total general obligation notes and bonds				<u>\$ 17,044,295</u>	<u>\$ 6,532,228</u>

**TOWN OF WINDSOR**  
**Notes to Financial Statements**  
**December 31, 2010**

**4. Long-Term Obligations (Continued)**

Portions of the debt are to be repaid to the Town as follows:

Receivable From	Amount	Purpose
DeForest Area Fire District	\$ 34,872	2001 G.O. Notes
DeForest Area Fire District	99,000	2005 G.O. Notes
DeForest Area Community Center	300,000	2005 G.O. Notes
Other Receivable-Debt Service Fund	\$ 433,872	

These are being repaid to the Town over the terms of the loans with interest. A deferred revenue has been set up on the debt service fund. These have been accrued in previous years on the government-wide statements.

The annual payments necessary to retire the general obligation debt including interest are as follows:

Year	Principal	Interest	Total
2011	949,334	336,892	1,286,226
2012	1,000,533	382,764	1,383,297
2013	1,060,534	349,691	1,410,225
2014	969,333	302,539	1,271,872
2015	924,334	270,045	1,194,379
2016-2020	6,557,332	999,119	7,556,451
Total	\$ 11,461,400	\$ 2,641,050	\$ 14,102,450

In December 2010, the Town issued \$5,905,000 in refunding bonds to current refund the 2009 general obligation bonds. The outstanding balance of the 2009 general obligation bonds of \$5,582,895 was paid in January 2011, therefore the proceeds of the refunding are still reflected in the cash balance as of December 31, 2010. The above repayment schedule does not reflect the 2009 general obligation debt that was refunded in January 2011.

Cities, Villages, and Townships are statutorily limited to using 5% of their equalized value to borrow general obligation debt. According to these state statutes, the Town of Windsor is limited to borrowing \$29,336,270. General obligation debt subject to this limit is \$17,044,295 leaving the Town with an available debt margin of \$12,291,974 as of December 31, 2010.



**TOWN OF WINDSOR**  
**Notes to Financial Statements**  
**December 31, 2010**

**5. Interfund Transactions**

The following advances were outstanding as of December 31, 2010. These are anticipated to be repaid in several years.

Receivable Fund	Payable Fund	Amount	Purpose
Debt Service Fund	CDA	\$ 40,000	Operations
		<u>\$ 40,000</u>	

The CDA is making annual payments with no interest until the advance is paid off. The annual payments are as follows:

2011	\$ 10,000
2012	10,000
2013	10,000
2014	10,000
Total	<u>\$ 40,000</u>

The following are interfund transfers that occurred:

Receiving Fund	Paying Fund	Amount	Purpose
Debt Service	CDA	\$ 50,000	Operations
Debt Service	Business Park Utility District	7,275	Special assessment transfer
Capital Projects	General Fund	7,505	Cash flows
CDA	General Fund	42,066	Operations
CDA Neighborhood Project	CDA	84,218	Close out of fund
	Total	<u>\$ 191,064</u>	

**6. Lease of Town Hall**

On September 4, 2003, the Town entered into a lease with the Dane County Sheriff's Department for occupation of approximately 2,500 square feet of the existing Town Hall for the period of January 1, 2004 through August 31, 2004. Effective September 1, 2004, the Dane County Sheriff's Department will occupy approximately 7,000 square feet of the remodeled Town Hall. The Town will occupy and maintain the remaining portion of the building.

The lease term is for twenty one years commencing January 1, 2004 and ending midnight of the 31<sup>st</sup> day of December, 2024. Effective January 1, 2005, the lease calls for the Sheriff's Department to pay \$12,700 a quarter, on the first day of January, April, July, and October through 2024. The Town received \$50,800 in lease payments in 2010.

**TOWN OF WINDSOR**  
**Notes to Financial Statements**  
**December 31, 2010**

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**7. Defined Benefit Pension Plan**

All eligible Town of Windsor employees participate in the Wisconsin Retirement System (WRS), a cost sharing, multiple-employer, defined benefit, public employee retirement system. All permanent employees expected to work at least 600 hours a year are eligible to participate in the WRS. Covered employees in the General/Teacher/Educational Support Personnel category are required by statute to contribute 6.2% of their salary (3.2% for Executives and Elected Officials, 5.5% for Protective Occupations with Social Security, and 3.9% for Protective Occupations without Social Security) to the plan. Employers may make these contributions to the plan on behalf of employees. Employers are required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

The payroll for Town of Windsor employees covered by the WRS for the year ended December 31, 2010 was \$608,979; the employer's total payroll was \$703,758. Of this amount \$300,930 was for the DeForest Community Center, which the Town is a fiscal agent for. The total required contribution for the year ended December 31, 2010 was \$79,776, which was 13.1% of covered payroll. The Town pays for the employer and employee portions. Total contributions for the years ended December 31, 2009 and 2008 were \$72,744 and \$69,246, respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 (62 for elected officials and 54 for protective occupation employees with less than 25 years of service, 53 for protective occupation employees with more than 25 years of service) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor. Final average earnings is the average of the employee's three highest years earnings. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all right to any subsequent benefit. For employees beginning participation after January 1, 1990 and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998 are immediately vested.

The WRS also provides death and disability benefits for employees. Eligibility for and the amount of all benefits is determined under Chapter 40 of the Wisconsin Statutes. The WRS issues an annual financial report that may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931.

**8. Inter-municipal Agreements**

**Fire Protection**

The Town of Windsor, along with the Village of DeForest and the Townships of Vienna, Leeds, and Hampden entered into an agreement to create the DeForest Fire Protection District. This agreement was executed on April 15, 1993 and amended in 1997.

The agreement specified that fire protection should be available to the above-mentioned municipalities. Each municipality appoints the Town Chairperson or Village President to the Fire District Board. Costs are to be shared based upon the equalized values of the respective municipalities. Any participating municipality may withdraw from the District provided 18 months written notice is given to the other municipalities and the Fire District. The withdrawing municipality is due their equity interest in the Fire District equipment and assets less any proportionate share of debt and lease expenditures due. There is no equity interest recorded since the cost basis is immaterial and the outstanding debt and leases expenditures of the District offset the assets.



**TOWN OF WINDSOR**  
**Notes to Financial Statements**  
**December 31, 2010**

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**8. Inter-municipal Agreements (Continued)**

The equalized valuation percentage for the participating municipalities is as follows:

	<u>2010</u>	<u>2009</u>
Town of Windsor	36.5%	37.0%
Village of DeForest	52.2%	51.5%
Town of Vienna	8.9%	9.1%
Town of Leeds	2.1%	2.1%
Town of Hampden	.3%	.3%
	<u>100.0%</u>	<u>100.0%</u>

The Town's share of fire district costs in 2010 amounted to \$269,014, excluding fire insurance dues of \$16,002. The latest budget figures indicate the Town's portion of the 2011 budget to be \$270,151. The Fire District issues separate financial statements.

The Town borrowed money for fire equipment. These debt obligations are to be repaid to the Town. As of 12/31/10, the District owes the Town \$133,872.

**EMS District**

The Town, together with the Village of DeForest and the Townships of Vienna, Leeds, and Hampden entered into an agreement to create the DeForest Emergency Medical Service District on January 1, 1991.

The agreement specifies that emergency medical services will be available to the participating municipalities. Each municipality appoints the Town Chairperson or Village President to the EMS District board. Costs are to be shared based on the equalized values of the respective municipalities.

The Town's share of the EMS District costs in 2010 are included in the Town's payment to the Fire District.

**Community Center**

The Town of Windsor together with the Town of Vienna and Village of DeForest entered into an agreement regarding the programs and operation of the DeForest Area Community Center. The agreement was executed on July 6, 1993. In 2003, the Town began acting as the fiscal agent for the Center. The Town pays its bills and the employees of the Center are included in the Town's payroll. The cash of the Center is included in the Town's financials as an agency fund.

The agreement specifies that the Community Center is to be governed by a nine (9) member commission including one member of the Town of Windsor Board of Supervisors and two (2) Town residents appointed by the Town Chairperson. Costs are to be shared by the municipalities based on the populations of the respective municipalities.

The Town's share of Community Center costs in 2010 amounted to \$175,060. The latest budget figures indicate the Town's portion of the 2011 Community Center budget is \$182,582.

The Community Center owes the Town \$300,000 for funds the Town borrowed on behalf of the Community Center expansion. See Note 4 for a more detailed explanation.



**TOWN OF WINDSOR**  
**Notes to Financial Statements**  
**December 31, 2010**

**9. Related Party Transaction**

The Town Board approved a Services Agreement with a Town Board member on December 20, 2007 with services not to exceed \$15,000 in any year. Expenses for 2010 related to this service amounted to \$3,800.

**10. Fund Balance – Reservations, Designations and Deficits**

The following reservations and designations of fund balance were made:

	Reserved	Designated	Undesignated (Deficit)
<b><u>General Fund</u></b>			
Undesignated	\$ -	\$ 181,800	\$ 579,933
Total General Fund	<u>\$ -</u>	<u>\$ 181,800</u>	<u>\$ 579,933</u>
<b><u>Debt Service Fund</u></b>			
Designated for debt payments	\$ 5,864,336	\$ 213,928	\$ -
Total Debt Service Fund	<u>\$ 5,864,336</u>	<u>\$ 213,928</u>	<u>\$ -</u>
<b><u>PDR Fund</u></b>			
Designated for purchase of development rights	<u>\$ -</u>	<u>\$ 22,561</u>	<u>\$ -</u>
<b><u>Non-Major Funds</u></b>			
Community Development Authority	\$ 127,292	\$ -	\$ -
Parks	-	19,641	-
Developer charge-back	27,474	-	-
Morrisonville Utility	65,088	-	-
Utility District 3	-	-	(20,061)
Business Park Utility District	999	-	-
Utility District 4 Water Loop	3,924	-	-
Token Creek Conservancy	-	-	4,332
Capital Projects Sinking Fund	-	216,487	-
Impact Fee Fund	178,804	-	-
	<u>\$ 403,581</u>	<u>\$ 236,128</u>	<u>\$ (15,729)</u>

The above fund deficits anticipate recovering their deficits through future borrowing.

**TOWN OF WINDSOR**  
**Notes to Financial Statements**  
**December 31, 2010**

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**11. Net Assets**

The following is a detailed schedule of net assets as of December 31, 2010:

<b>Invested in Capital Assets, Net of Related Debt</b>	
Capital assets, net	\$ 11,864,638
Less: Current portion of long-term debt	(6,532,229)
Less: Long-term debt outstanding	(10,512,067)
Plus: Non capital related debt	452,400
Plus: CDA debt not related to capital assets	11,487,895
	<u>6,760,637</u>
 <b>Restricted Net Assets</b>	
Special revenues	61,573
Capital Projects	178,804
	<u>240,377</u>
 <b>Unrestricted Net Assets</b>	 <u>1,569,182</u>
 <b>Total Net Assets</b>	 <u><u>\$ 8,570,196</u></u>

**12. Risk Management**

The Town is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; error and omissions; workers compensation; and health care of its employees. All risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years.

**13. New Reporting Requirements**

The Governmental Accounting Standards Board (GASB) recently issued Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" effective for periods beginning after June 15, 2010. This Statement establishes new financial reporting requirements for state and local governments throughout the United States. When implemented, it will require new information and disclosures from what governments have reported in the past. Comparability with reports issued in all prior years will be affected. The Town has not yet determined the effect that adoption of GASB Statement 54 will have on the financial statements.

## REQUIRED SUPPLEMENTARY INFORMATION



Town of Windsor  
DeForest, Wisconsin

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (with Variances) - General Fund  
For the Year Ended December 31, 2010

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 1,445,831	\$ 1,445,831	\$ 1,445,835	\$ 4
Other Taxes	57,068	57,068	65,215	8,147
Intergovernmental	359,176	359,176	273,503	(85,673)
License and Permits	94,570	94,570	124,963	30,393
Fines, Forfeits and Penalties	7,200	7,200	9,167	1,967
Public Charges for Services	387,124	387,124	390,228	3,104
Interest Income	6,000	6,000	4,334	(1,666)
Miscellaneous Income	12,300	12,300	69,153	56,853
Total Revenues	2,369,269	2,369,269	2,382,398	13,129
<b>EXPENDITURES</b>				
Current:				
General Government	655,562	655,562	622,482	33,080
Public Safety	623,449	623,449	608,198	15,251
Public Works	929,932	929,932	890,894	39,038
Culture, Recreation and Education	239,960	238,560	293,006	(54,446)
Conservation and Development	48,300	49,700	48,383	1,317
Total Expenditures	2,497,203	2,497,203	2,462,963	34,240
Excess (Deficiency) of Revenues Over Expenditures	(127,934)	(127,934)	(80,565)	47,369
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from Long-Term Debt	170,000	170,000	452,400	282,400
Transfers Out	(42,066)	(42,066)	(49,570)	(7,504)
Total Other Financing Sources and Uses	127,934	127,934	402,830	274,896
Net Change in Fund Balances	-	-	322,265	322,265
Fund Balances - Beginning	439,469	439,469	439,469	-
Fund Balances - Ending	\$ 439,469	\$ 439,469	\$ 761,734	\$ 322,265

## SUPPLEMENTARY INFORMATION

Town of Windsor  
DeForest, Wisconsin

Balance Sheet  
Non-Major Governmental Funds  
December 31, 2010

Special Revenue Funds													
	Parks Fund	Developer Chargeback Fund	Morrisonville Utility District	Utility District #3	Business Park Utility District	Utility District #4 Water Loop	Token Creek Conservancy						
ASSETS													
Cash and Cash Equivalents	\$ 19,641	\$ 72,596	\$ 65,088	\$ (19,677)	\$ 999	\$ 3,924	\$ 4,332						
Receivables:													
Taxes	25,000	-	-	-	-	67,514	9,500						
Other	-	13,063	-	-	-	-	-						
Total Assets	\$ 44,641	\$ 85,659	\$ 65,088	\$ (19,677)	\$ 999	\$ 71,438	\$ 13,832						
LIABILITIES AND FUND BALANCES													
Liabilities:													
Accounts Payable & Accrued Liabilities	\$ -	\$ 40,941	\$ -	\$ 384	\$ -	\$ -	\$ -						
Accrued Liabilities	-	17,244	-	-	-	-	-						
Deferred Revenue	25,000	-	-	-	-	67,514	9,500						
Advances Payable	-	-	-	-	-	-	-						
Total Liabilities	25,000	58,185	-	384	-	67,514	9,500						
Fund Balances:													
Reserved	-	27,474	65,088	-	999	3,924	-						
Designated	19,641	-	-	-	-	-	-						
Unreserved/Undesignated	-	-	-	(20,061)	-	-	4,332						
Total Fund Balances	19,641	27,474	65,088	(20,061)	999	3,924	4,332						
Total Liabilities and Fund Balances	\$ 44,641	\$ 85,659	\$ 65,088	\$ (19,677)	\$ 999	\$ 71,438	\$ 13,832						



Town of Windsor  
DeForest, Wisconsin

Balance Sheet  
Non-Major Governmental Funds  
December 31, 2010

	Capital Projects Funds		CDA	Total
	Capital Projects Sinking Fund	Impact Fee	Community Development Authority	Non-Major Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 216,487	\$ 180,804	\$ 167,294	\$ 711,488
Receivables:				
Taxes	60,000	-	-	162,014
Other	-	-	-	13,063
Total Assets	<u>\$ 276,487</u>	<u>\$ 180,804</u>	<u>\$ 167,294</u>	<u>\$ 886,565</u>

**LIABILITIES AND FUND BALANCES**

Liabilities:				
Accounts Payable & Accrued Liabilities	\$ -	\$ 2,000	\$ 2	\$ 43,327
Accrued Liabilities	-	-	-	17,244
Deferred Revenue	60,000	-	-	162,014
Advances Payable	-	-	40,000	40,000
Total Liabilities	<u>60,000</u>	<u>2,000</u>	<u>40,002</u>	<u>262,585</u>
Fund Balances:				
Reserved	-	178,804	127,292	403,581
Designated	216,487	-	-	236,128
Unreserved/Undesignated	-	-	-	(15,729)
Total Fund Balances	<u>216,487</u>	<u>178,804</u>	<u>127,292</u>	<u>623,980</u>
Total Liabilities and Fund Balances	<u>\$ 276,487</u>	<u>\$ 180,804</u>	<u>\$ 167,294</u>	<u>\$ 886,565</u>

Town of Windsor  
DeForest, Wisconsin

Statement of Revenues, Expenditures and Changes in Fund Balances  
Non-Major Governmental Funds  
For the Year Ended December 31, 2010

	Special Revenue Funds						
	Parks Fund	Developer Chargeback Fund	Morrisonville Utility District	Utility District #3	Business Park Utility District	Utility District #4 Water Loop	Token Creek Conservancy
<b>REVENUES</b>							
Property Taxes	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -
Special Assessment Revenue	-	-	-	-	7,950	-	-
Intergovernmental	-	154,508	-	-	-	-	-
License and Permits	-	-	-	-	-	-	-
Public Charges for Services	-	-	-	-	-	-	1,205
Interest Income	-	227	16	(62)	324	9	1
Miscellaneous Income	19,641	18	-	-	-	-	-
Total Revenues	19,641	154,753	30,016	(62)	8,274	9	1,206
<b>EXPENDITURES</b>							
Current:							
General Government	-	1,167	1,279	1,271	-	649	455
Public Works	-	154,508	-	-	-	-	-
Conservation and Development	-	16,573	-	-	-	-	-
Total Expenditures	-	172,248	1,279	1,271	-	649	455
Excess (Deficiency) of Revenues Over Expenditures	19,641	(17,495)	28,737	(1,333)	8,274	(640)	751
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers In	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	(7,275)	-	-
Total Other Financing Sources and Uses	-	-	-	-	(7,275)	-	-
Net Change in Fund Balances	19,641	(17,495)	28,737	(1,333)	999	(640)	751
Fund Balances (Deficits) - Beginning	-	44,969	36,351	(18,728)	-	4,564	3,581
Fund Balances (Deficits) - Ending	\$ 19,641	\$ 27,474	\$ 65,088	\$ (20,061)	\$ 999	\$ 3,924	\$ 4,332

Town of Windsor  
DeForest, Wisconsin

Statement of Revenues, Expenditures and Changes in Fund Balances  
Non-Major Governmental Funds  
For the Year Ended December 31, 2010

	Capital Projects Funds			CDA		Total Non-Major Governmental Funds
	Capital Projects	Capital Projects Sinking Fund	Impact Fee	Community Development Authority	Neighborhood Project	
<b>REVENUES</b>						
Property Taxes	\$ -	\$ 60,000	\$ -	\$ -	-	\$ 90,000
Special Assessment Revenue	-	-	-	-	-	7,950
Intergovernmental	-	-	-	-	-	154,508
License and Permits	-	-	39,282	7,475	-	46,757
Public Charges for Services	-	-	49,755	-	-	50,960
Interest Income	-	376	180	628	11	1,710
Miscellaneous Income	-	-	-	158	-	19,817
Total Revenues	-	60,376	89,217	8,261	11	371,702
<b>EXPENDITURES</b>						
Current:						
General Government	-	-	-	7,500	3,000	15,321
Public Works	-	-	38,000	-	-	192,508
Conservation and Development	-	-	-	825	97,480	114,878
Total Expenditures	-	-	38,000	8,325	100,480	322,707
Excess (Deficiency) of Revenues Over Expenditures	-	60,376	51,217	(64)	(100,469)	48,995
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	7,505	-	-	42,066	84,218	133,789
Transfers Out	-	-	-	(134,218)	-	(141,493)
Total Other Financing Sources and Uses	7,505	-	-	(92,152)	84,218	(7,704)
Net Change in Fund Balances	7,505	60,376	51,217	(92,216)	(16,251)	41,291
Fund Balances (Deficits) - Beginning	(7,505)	156,111	127,587	219,508	16,251	582,689
Fund Balances (Deficits) - Ending	\$ -	\$ 216,487	\$ 178,804	\$ 127,292	\$ -	\$ 623,980



**Town of Windsor  
DeForest, Wisconsin**

Debt Repayment Summary  
Principal Payments  
12/31/10

Year	2004 GO	2005 GO Fire Loan	2005 GO Capital	2005 GO Comm. Center	2009 GO	2009 GO	2009 GO	2010 GO	2010 GO	2010 GO	2010 GO	2010 GO	Total G.O. Debt
2011	\$ 210,000	\$ 11,000	\$ 200,000	\$ 33,334	\$ 150,000	\$ -	\$ 175,000	\$ 170,000	\$ -	\$ -	\$ -	\$ -	\$ 949,334
2012	240,000	11,000	225,000	33,333	-	-	75,000	-	141,200	-	-	100,000	1,000,533
2013	450,000	11,000	225,000	33,334	-	-	100,000	-	-	141,200	-	100,000	1,060,534
2014	475,000	11,000	225,000	33,333	-	-	125,000	-	-	-	-	100,000	969,333
2015	-	11,000	680,000	33,334	-	-	100,000	-	-	-	-	100,000	924,334
2016	-	11,000	-	33,333	-	-	215,000	-	-	-	-	500,000	759,333
2017	-	11,000	-	33,334	-	-	220,000	-	-	-	-	500,000	764,334
2018	-	11,000	-	33,333	-	-	220,000	-	-	-	-	500,000	764,333
2019	-	11,000	-	33,332	-	-	220,000	-	-	-	-	500,000	764,332
2020	-	-	-	-	-	-	-	-	-	-	-	3,505,000	3,505,000
	<u>\$1,375,000</u>	<u>\$ 99,000</u>	<u>\$1,555,000</u>	<u>\$ 300,000</u>	<u>\$ 150,000</u>	<u>\$ 175,000</u>	<u>\$ 1,450,000</u>	<u>\$ 170,000</u>	<u>\$ 141,200</u>	<u>\$ 141,200</u>	<u>\$ -</u>	<u>\$5,905,000</u>	<u>\$ 11,461,400</u>

The above schedule excludes the payment on the 2009 \$5,582,895 G.O. debt issue that was refunded in 2010. This was paid off in January 2011.

**Town of Windsor  
DeForest, Wisconsin**

Debt Repayment Summary  
Interest Payments  
12/31/10

Year	2004 GO	2005 GO Fire Loan	2005 GO Capital	2005 GO Comm. Center	2009 GO	2009 GO	2009 GO	2009 GO	2010 GO	2010 GO	2010 GO	2010 GO	2010 GO	Total GO
2011	48,390	4,216	51,985	12,106	6,377	-	37,735	5,509	-	-	-	-	170,575	336,892
2012	40,065	3,758	44,960	10,791	-	13,587	35,835	-	9,656	-	-	-	224,113	382,764
2013	27,075	3,279	37,198	9,416	-	-	34,160	-	-	15,600	-	-	222,963	349,691
2014	9,263	2,811	29,210	8,070	-	-	31,723	-	-	-	-	-	221,463	302,539
2015	-	2,342	12,580	6,725	-	-	28,985	-	-	-	-	-	219,413	270,045
2016	-	1,879	-	5,395	-	-	24,568	-	-	-	-	-	216,963	248,804
2017	-	1,405	-	4,035	-	-	18,040	-	-	-	-	-	202,713	226,193
2018	-	937	-	2,690	-	-	11,055	-	-	-	-	-	186,463	201,145
2019	-	468	-	1,345	-	-	3,740	-	-	-	-	-	168,463	174,016
2020	-	-	-	-	-	-	-	-	-	-	-	-	148,963	148,963
	<u>\$124,793</u>	<u>\$ 21,095</u>	<u>\$175,933</u>	<u>\$ 60,573</u>	<u>\$ 6,377</u>	<u>\$13,587</u>	<u>\$225,840</u>	<u>\$ 5,509</u>	<u>\$ 9,656</u>	<u>\$ 15,600</u>	<u>\$ 15,600</u>	<u>\$1,982,087</u>	<u>\$2,641,050</u>	

